



Iowa Department of Transportation

Federal Transportation Briefing

A Periodic Report on Federal Transportation Activities

#14

August 13, 2010

(New information in RED)

Due to the August recess, there has been little activity in Congress this week.

Annual Transportation Appropriations

FY 2011 – On July 29, the House passed its Transportation-HUD appropriations proposal, HR 5850, providing \$45.2 billion in highway obligation authority, \$3.515 billion in Airport Improvement Project funding, \$1.4 billion for High Speed Intercity Passenger Rail, and \$400 million for TIGER multi-modal grants. The Senate appropriations committee approved S 3644 on July 22, providing \$41.8 billion in highway obligation authority, \$3.515 in AIP funding, \$1 billion for HSIPR, and \$800 million for TIGER multi-modal grants.

Aviation Reauthorization

The multi-year aviation authorization bill, known as Vision 100 (PL 108 -176), expired on October 1, 2007, and programs have been continuing under a series of authorization extensions. Multi-year authorization bills have been passed by the Senate on March 22 and by the House on March 25 as separate amendments to HR 1586. A conference committee will resolve the differences between the two proposals. In the meantime, aviation programs received yet another short-term extension. On August 1, the president signed HR 5900 to extend FAA programs until September 30, 2010. It also requires new safety regulations for airlines and pilots.

Surface Transportation Reauthorization

The multi-year surface transportation authorization act, known as SAFETEA-LU, expired on October 1, 2009. The federal-aid programs, including highway, transit,

highway safety, and motor carrier programs are continued through a series of extensions.

The current extension was included in HIRE, which was signed on March 18, 2010 (PL 111-147) and continues programs through December 31, 2010. In addition to program extensions, the act did away with the \$8 billion contract authority rescission enacted in SAFETEA-LU, and also transferred \$19.5 billion from the General Fund to the Highway Trust Fund to keep that fund solvent. While the formula programs have been extended, the earmarked projects in SAFETEA-LU have not been extended. The funding which would have been earmarked was redistributed among the core programs. Two of the SAFETEA-LU earmarked programs were controversial because 58 percent of the funding was provided to four states and 21 states received none of the funding. Language providing a “fix” for that situation was included in a recent tax extender bill, HR 4213. The bill was passed by the House, but defeated on a cloture vote in the Senate June 24.

In June 2009, Congressman Oberstar unveiled a draft reauthorization bill known as the Surface Transportation Authorization Act (STAA). The 5-year proposal would increase funding from the Highway Trust Fund by 57 percent over SAFETEA-LU levels, with most of the increase going to safety and transit. The proposal emphasizes intermodal projects, livability projects, and transit in large areas. Oberstar included performance targets and investment plans for nearly every program, along with stepped-up bridge inspection requirements. Due largely to the question of how to fund it, STAA has remained a discussion draft only.

However, several bills have been introduced as potential additions to reauthorization language. One example is S. 3485, introduced June 15, 2010, which would provide surface transportation funds to rural states specifically, in order to provide balance to the large urban area focus of the discussion draft.

Climate Change Legislation

The Kerry-Lieberman bill, released as a discussion draft on May 12, is now seen as unlikely to pass in its current form. Many other energy/climate-related proposals are being discussed, although currently none of these alternative proposals include a carbon fee or funding for the Highway Trust Fund. The most recent proposal is by Senator Reid (no number yet). His bill addresses the oil spill and

other issues and provides incentives to encourage communities and consumers to move toward alternative fuel vehicles. It is possible that the Senate will take this up in an anticipated lame duck session.

Tiger II

On May 28, Transportation Secretary Ray LaHood announced the availability of \$600 million in TIGER II grants for capital investment in surface transportation projects. TIGER II grants will be awarded on a competitive basis to projects that have a significant impact on the nation, a region or metropolitan area and can create jobs. Primary selection criteria include contributing to the long-term economic competitiveness of the nation, improving the condition of existing transportation facilities and systems, improving energy efficiency and reducing greenhouse gas emissions, improving the safety of U.S. transportation facilities and improving the quality of living and working environments of communities through increased transportation choices and connections. The USDOT will also give priority to projects that are expected to quickly create and preserve jobs and stimulate rapid increases in economic activity. The DOT will be submitting applications for the following projects: CRANDIC West 900 Interchange; Interstate 29 Segment 2 Improvements; Multi-modal Accessibility Connections for I-74 in Bettendorf and Davenport; US 34 Missouri River Connector; and U.S. 61 Fort Madison Bypass. Applications are due August 23.

High Speed Intercity Passenger Rail competitive grant application

Applications for U.S. DOT Federal Railroad Administration (FRA) High Speed Intercity Passenger Rail projects were due August 6. This program is collaborative effort among the federal government, states, railroads, and other key stakeholders to help create a national network of high-speed rail corridors.

A joint application was submitted by the Iowa DOT and Illinois DOT seeking \$248 million to implement new passenger rail service from Chicago to Iowa City via the Quad Cities. The amount available nationally is \$2.1 billion for this round of grant applications. Decisions are expected to be announced by FRA by September 30, 2010.

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